



Eurovignette amendment adopted

The European Council reached a landmark decision on 12 September 2011 by approving the compromise amendment of the 'Eurovignette Directive'¹. UIRR welcomes this resolution as the breakthrough in which the European legislator first recognised the need to internalise external costs of transport in order to allow correct price signals to be received by market players who use (road) transport services.

The new legislation will enable Member States of the European Union wishing to do so, to internalize two types of external costs of road transport: local air and noise pollution caused by the circulation of heavy goods vehicles. The modulation of road tolls will also become possible to mitigate congestion over a maximum five hour period of the day on affected routes.

The importance of this decision, reached with the objection of two countries² and the abstention of three³, must not be underestimated despite its limitations and the numerous exemptions to it. External costs related to the various modes of transport differ to a great extent. Internalisation of these costs, presently underwritten by public budgets, is essential to enable correct price signals to be delivered to users of transport services, and ultimately to create a fair competitive framework – especially over distances longer than 300km – between the different modes of transport based on the inherent technical properties of each.

Road-Rail Combined Transport (CT) is a system of freight forwarding which is based upon inserting economically and ecologically sustainable electric rail into long-distance (road) transport-chains through the use of intermodal loading units⁴ (ILU). The shifting of loads between modes takes place quickly and efficiently at transshipment terminals. CT offers the competitive combination of the flexibility of road transport – used in the positioning legs of ILUs – with

the energy efficiency, extreme low greenhouse gas emissions and superior safety record of electric rail traction over long distances.



“The benefits of CT to shippers and society at large can, however, only become obvious if the external costs of transport’s GHG emissions and transport-related accident costs are also allowed to become a price influencing factor” – said UIRR Executive Chairman, Rudy Colle, on the occasion.

The legislation adopted by the European legislative bodies requires that a further amendment of these rules be developed by the European Commission within 48 months. This period of time should enable

- a comprehensive approach incorporating the revision of the legal framework of transport taxation and charging for transport-related government services, together with
- aligning the basis of road tolling with the distance-based principle used in rail for many years, and
- to devise rules for the internalisation of presently unaffected externalities: GHG-emissions, accident-related external costs and the costs of oil-dependency (as proposed in the UIRR position paper published in December 2010⁵).

Who is UIRR? - Founded in 1970, the International Union of Combined Road-Rail Transport Companies (UIRR) represents the interests of a unique system of transport, which uses Intermodal Loading Units (ILUs) or special wagons capable of carrying unmodified ordinary trucks thereby allowing the effective insertion of (electric) rail technology into the longer distance sections of continental freight transport-chains, resulting in 75% fewer GHG emissions compared to pure road transport and the use of considerably less energy per consignment.

¹ Directive 1999/62/EC

² Italy and Spain

³ Ireland, The Netherlands and Portugal

⁴ ILU=swap-bodies, containers and semi-trailers

⁵ <http://uirr.com/en/media-centre/press-releases-and-position-papers/2010/mediacentre/403-pos-pap-infra-externalities-fair-competition.html>